

CITY OF DETROIT REQUEST FOR PROPOSALS 6051 HASTINGS (a/k/a FORMER CARTER COAT BUILDING)

City of Detroit Request for Proposals

6051 Hastings (a/k/a Former Carter Coat Building)

Site Size: 206,474 sq. ft. or 4.74 acres

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Section I Purpose of the Request For Proposals

The City of Detroit's Planning and Development Department (P&DD) is seeking proposals from qualified entities for the purchase of an approximately 4.74 acre site upon which the former Carter Color Coat building (or 6051 Hastings) is located. The vacant, six-story white concrete and steel frame building is approximately 630,501 square feet and is bounded by Hastings (east), Piquette (north), St. Antoine (west) and Harper (south) (see attached map).

The intent of this Request for Proposal is to retain an experienced and qualified Developer who has the potential and financial capacity to purchase the former Carter Color Coat building and site. For this site, P&DD envisions light industrial or mixed-use (commercial/residential) development on the 4.74 acre site. Potential respondents shall submit a comprehensive proposal that includes development experience of the Development team, level of responsibilities within the Development team, preliminary project schedule/obstacles for developing the site, and a conceptual development plan, and offer. The selected Developer must be experienced, effective and have the necessary financial capabilities to purchase the property. The submission requirements are shown under Sections V and VI.

Section II BACKGROUND/INVESTMENT INCENTIVES

The City of Detroit's Planning and Development Department is accepting Proposals from qualified Developers for the purchase and development of City-owned property located at the former Sears site in the City of Detroit. The site identified above fall within Cluster 4 of the Community Reinvestment Strategy and is located within close proximity of major public and private investment districts (i.e. Midtown, Art Center, Medical Center, Wayne State University, etc). Due to its close proximity to major expressways (Edsel Ford (1-94) and Chrysler (I-75) and other ongoing developments, the former Carter Color Coat location gives prospective developers a geographical advantage to invest in the present and future potential of the site.

The site is not currently located within a Neighborhood Enterprise Zone (NEZ); however, the selected developer could apply for such designation. Under a NEZ, certification holder will pay a reduced property tax known as the Neighborhood Enterprise Zone Tax. Applications are filed, reviewed and approved locally, but are also subject to review at the state level by the property Services Division. The State Tax Commission is ultimately responsible for final approval and issuance of certificates. Exemptions are not effective until approved by the Commission.

The site is located within the Detroit Empowerment Zone. The Detroit Empowerment Zone encourages development in blighted neighborhoods by offering entrepreneurs and investors' tax and regulatory relief if they start businesses in the area. The numerous tax incentives are available and designed to encourage businesses to locate or expand operations and to hire residents within the Detroit Empowerment Zone.

Industrial Facilities (IFT) Tax Incentives. Public Act 198 of 1974 provides a tax incentive to manufacturers in order to enable renovation and expansion of aging facilities, building of new

facilities, and to promote establishment of high tech facilities. An IFT certificate entitles the facility to exemption from ad valorem real and/or personal property taxes for a period of 1 to 12 years. A certificate holder will pay a specific tax known as the Industrial Facility Tax. Applications are filed, reviewed and approved locally with the local unit determining the number of years granted, but are also subject to review at the state level by the Property Services Division and the Michigan Economic Development Corporation. The State Tax Commission is ultimately responsible for final approval and issuance of certificates. Exemptions are not effective until approved by the Commission.

MINIMUM BID PRICE

The City of Detroit has established a minimum bid price of \$\)\$ 300,000 for the sale of the former Carter Color Coat building and site, located at 6051 Hastings.

Section III

PROPERTY DESCRIPTION

Section III-A Identification of Property (Legal Description)

Exhibit A

Land in the City of Detroit, County of Wayne and State of Michigan, described as: Description of property located in the block bounded by Piquette Avenue on the North, Hastings Street on the East, Harper Avenue on the South and St. Antoine Street on the West, City of Detroit, Wayne County, Michigan.

Lots 31, 32 and 33, including vacated alley (20 feet wide), "Plat of Hoban and Sands Subdivision" of Lots 11, 12, 13 and Lot D of fractional Sections 31 and 32, Emily Campau's Subdivision of fractional parts of Sections 31 and 32, Town 1 South, Range 12 East, according to the recorded plat thereof as recorded in Liber 15 of Plats, Page 2, Wayne County Records, and Lots 7 through 34, inclusive, including vacated alley (20 feet wide) of Subdivision of Lots 1 to 30, inclusive, and Lots 37 and 38 of Hoban and Sands Subdivision of Lots 11,12, 13 and Lot D of fractional Sections 31 and 32, Emily Campau's Subdivision of fractional parts of Sections 31 and 32, Town 1 South. Range 12 East, according to the recorded plat thereof, as recorded in Liber 22, Page 92 of Plats, Michigan, and being more particularly described as follows: Beginning at the Southwest corner of Piquette Avenue (80 feet wide) and Hastings Street (50 feet wide), said point being also the Northeast corner of Lot 23 of said "Subdivision of Lots 1 to 30, inclusive, and Lots 37 and 38 of Hoban and Sands Subdivision" (Liber 22 of Plats, Page 92, Wayne County Records); proceeding thence from Point of Beginning South 26 Degrees 02 Minutes 30 Seconds East, along the West Line of said Hastings Street, said line being also the East Line of said Lot 23, the East end of a vacated alley (20 feet wide) and the East line of Lot 22 of said "Subdivision of Lots 1 to 30, inclusive, and Lots 37 and 38 of Hoban and Sands Subdivision", a measured distance of 355.72 feet (recorded 355.50 feet) to the Southeast corner

of Lot 22; thence South 64 Degrees 07 Minutes 50 Seconds West along the North line of Harper Avenue (80 feet wide) said Line being also the South Line of Lots 22 through 7, inclusive of said "Subdivision of Lots 1 to 30, inclusive, and Lots 37 and 38 of Hoban and Sands Subdivision" a measured Distance of 581.52 feet (recorded 581.80 feet) to the Southwest corner of Lot 7; thence North 26 Degrees 03 Minutes 13 Seconds West along the East line of St. Antoine Street (50 feet wide), said line being also the West line of said Lot 7, the West end of a vacated alley (20 feet wide), and the West line of Lot 33 of said "Plat of Hoban and Sands Subdivision" (Liber 15 of Plats, Page 2, Wayne County Records), a measured distance of 354.38 feet (recorded 354.38 feet (recorded 354.28 feet) to the Northwest corner of said Lot 33; thence North 63 Degrees 59 Minutes 54 Seconds East along the South line of Piquette Avenue (80 feet wide) said line being also the North line of Lots 33, 32, and 31 of said "Plat of Hoban and Sands Subdivision" and the North line of Lots 34 through 23, inclusive, of said "Subdivision of Lots 1 to 30, inclusive, and Lots 37 and 38 of Hoban and Sands Subdivision", a measured Distance of 581.59 feet (recorded 581.90 feet) to the Point of Beginning.

Section III-B <u>Land Area</u>

C 6051 Hastings (a/k/a Former Carter Coat Building) Site Size: 206,474 sq. ft. or 4.74 acres more or less

Section III-C Zoning/Master Plan

The site is zoned M3 (General Industrial District) that is designated primarily for light industrial, manufacturing, and warehousing. Uses permitted conditionally would be permitted only after special approval by the authorities having jurisdiction, including the recommendation of the Planning Division of the Planning and Development Department.

In the Detroit Master Plan of Polices, the proposed land use for the site is "SRC/LT IND" or (Special Residential-Commercial/Light Industrial) which supports mixed-use residential/commercial/light industrial related land uses on the site (i.e. loft, warehouse, art studio, manufacturing, etc).

Section IV RELEVANT EXPERIENCE

Experience in land development (specifically in mixed use projects);

Experience in undertaking comparable projects that have been solely completed by the Developer or party of which the Developer has had an affiliation; and Experience with master planning and development.

Section V DIRECTIONS FOR SUBMISSION

The required submission of the Statement of Proposal must be submitted in a three-hole binder with tabbed numbers for each identified section. All materials must be submitted in an 8.5" x 11" format. To be deemed responsive and eligible for consideration, respondents must

submit an original, clearly marked proposal, containing original signatures in blue ink, along with 5 copies and one 3.5" floppy disk (electronic format) either Microsoft Word or Corel Word Perfect in a sealed carton to the Planning & Development Department by the designated time, without exception.

Proposals sent by overnight delivery service will be considered timely filed if date stamped at least one (1) day before the date set for receipt of proposals and time stamped at a time that should have, pursuant to the express policy of the overnight delivery service used, permitted delivery at the date, time and place set for receipt of proposals. The burden of proof to establish timely filing of a proposal by overnight delivery service shall be solely upon the entity or person submitting the proposal. It is the respondent's obligation to ensure the required submission arrives in a timely manner at the specified location. Any proposal, which is not properly marked, addressed or delivered to the submission place, in the required form, by the required submission date and time will be ineligible for consideration.

Faxed submissions of the Statement of Proposals will not be accepted. Once received by the Real Estate Development Division of the Planning & Development Department, submissions will not be returned. Formal communication, such as requests for clarification and/or information concerning this solicitation shall be submitted in writing to the Real Estate Development Division at the address listed below. No information concerning this solicitation or request for clarification will be provided in response to telephone calls. All written requests for information must be received by the Real Estate Development Division of the Planning & Development Department no later than Monday July 6, 2009 before 3:00 p.m.

All expenses involved with the preparation and submission of the Request for Proposal to the City of Detroit, or any work performed in connection therewith shall be assumed by the developer. No payment will be made by the City of Detroit for any responses received, nor for any other effort required of or made by the developer prior to commencement of work.

Section VI SUBMISSION REQUIREMENTS

Your response must be signed by an official authorized to bind your firm or team to its provisions, and must state the names, addresses, and phone numbers of all persons authorized to negotiate the proposed project.

Statement of Proposals submissions must include the following information in the order listed which will serve as the Statement of Qualifications:

1. A description of your organization's approach to the development of this property including identification of key milestones and a strategy for developing the site. This strategy should address the comprehensive range of activities including, but not limited to, project conceptualization, market research, physical planning,

development budget preparation, investment analysis, marketing, leasing, construction management and operations planning. This outline should also identify any critical issues related to pre-development analysis for the development site and strategies that would be utilized to resolve each issue. Also, include, the average timetable for each major task and obstacles to be resolved.

- 2. A general description of the Developer's organization and current and past development activities. An organizational chart of the members of the Development Team should be included along with a designation of the individual who is responsible for day-to-day planning and development activities for the overall project team. A letter should acknowledge the participation of each team member and authorize the Developer to utilize its qualifications to compete for the site. The respondent shall provide a listing of all development projects over the past five (5) years with the following information: name and location of each development project; team members, corporate and individual, actually involved in such developments; project scope; total project development costs (if known); total project construction costs; type of financing methods and funding sources; date project commenced and date completed; name, address and telephone of client/owner; and, any ongoing financial interests that continues to exist with the referred development. A letter should acknowledge the participation of each team member and authorize the respondent to utilize its qualifications to compete for the Former Sears Site properties.
- 3. The respondent shall provide an conceptual site plan/design concept for the site. Along with the site plan, the respondent shall include a description of the design concept and methodology for accomplishing the project's objectives and why it was chosen. The design concept and methodology should include conceptual site and building plans; preliminary sections and elevations; preliminary section systems and materials; and descriptions of approximate dimensions, areas and volumes.
- 4.The respondent shall provide at least one (1) corporate letter of reference/support from each of the following entities: financial, legal and public sector sources references, including telephone and facsimile numbers for each reference.
- 5. The respondent should also identify specific actions that will be taken to insure that MBE/WBE (Minority Business Enterprise/Women Business Enterprise) goals are met. The respondent must also be willing to adhere to Executive Orders 4 and 22, in addition to demonstrating a willingness to work with the City of Detroit in order to receive all necessary reviews.
- 6. The annual audited corporate financial statements and un-audited year to date financial statement for the most recent month end for all entities comprising the

development team. The financial statements should include evidence of financial capacity and resources to complete the acquisition. These documents shall be submitted in a sealed envelope clearly marked "confidential."

7. Any financial commitments or projections not otherwise shown above.

Section VII SELECTION PROCESS

Any individual, team, or firm is encouraged to submit proposals. However, the City of Detroit Planning and Development Department reserves the right to select those individuals deemed qualified to purchase the former Carter Color Coat building and site.

The major criteria for selecting an entity will be the submission of an economically sound proposal that incorporates efficient use of the site and complies with the objectives stated previously. A qualified entity is an individual or legal entity which, in the opinion of P&DD, possesses the experience and

financial resources necessary to successfully undertake and complete the development of the site within the requirements of federal and local laws and regulations.

The final selection will be made based on the overall qualifications, presentation, past performance, corporation financial soundness, references, and information provided in the Statement of Proposals. Once the selection process is complete, the Proposer will be expected to enter into a purchase agreement with the City of Detroit Planning & Development Department.

Section VIII <u>RESERVATION OF RIGHTS</u>

The City of Detroit reserves and may exercise the right to request one or more of the Proposers to provide additional material, clarification, confirmation or modification of any information in the submission, and can supplement, amend, substitute, cancel, or otherwise modify this Request for Proposal anytime prior to the selection of one or more developers.

Please Note: All Property will be sold "AS IS"

Prospective candidates are hereby notified that the Department of Environmental Affairs has investigated the environmental condition of 6051 Hastings which may be made available for review upon request. The Department of Environmental Affairs is located at 660 Woodward, Suite 1800, Detroit, MI 48226, phone number: (313) 471-5100. Various Federal, State, or other City agencies may have information regarding the environmental condition of the former Carter Color Coat building and site. However, each firm will be provided with the opportunity to conduct its own due diligence regarding the environmental condition of the property which that firm proposes to acquire and is notified that the property may be the subject of environmental contamination. The City of Detroit makes absolutely no warranty or representation regarding the environmental condition of the site offered within this Request for Proposal.

Prospective candidates will be required to waive any and all Environmental Claims (whether for damages or otherwise) against the City in connection with or related to the Property or any

aspect thereof. Prospective candidates will be required to release and discharge the City from any and all Environmental Claims which the Prospective candidates may now or hereafter have against the City in connection with or arising out of the condition of the Property.

Section IX SUBMISSION DEADLINE

To be considered, all Request for Proposals must be delivered to the Planning and Development Department, Real Estate Development Division, located at 65 Cadillac Square, , 20^{th} Floor, Detroit, Michigan, before 3:00 p.m. local time, Monday, July 13, 2009. The responsibility of getting the Request for Proposals to the Real Estate Development Division rests entirely with the person or persons submitting the request.

Request for Proposals may be obtained from the Planning & Development Department, Real Estate Development Division, 20th Floor, Center, 65 Cadillac Square, Detroit, Michigan 48226 beginning, April 13, 2009 to July 13, 2009, weekdays between 9:00 a.m. and 4:00 p.m. excluding holidays.

Section X REQUEST OF PROPOSALS TIMETABLE

<u>ACTIVITIES</u>	DATE
Request for Proposals Available for Distribution	April 13, 2009
Deadline for Receipt of Proposals	July 13, 2009
Set up RFP Evaluation Team	July 14, 2009
Open/Assign Bid Proposals	July 15, 2009
Review/Score Bid Proposals	July 17, 2009
Final Selection/Recommendation	July 20, 2009
Notification Letter to Winning Proposal	July 23, 2009

For further information and/or submission of the Statement of Proposals please contact:

City of Detroit Planning & Development Department 65 Cadillac Square, 20th Floor Detroit, MI 48226 (313) 224-3516

Attn: Edward Lowe, Project Manager Real Estate Development Division Former Carter Color Coat Site- Response